

June 11, 1968

CONGRESSIONAL RECORD — SENATE

S 7051

robberies, realizing that the proposed legislation would involve no prohibition on the reasonable use and ownership of sporting firearms.

E-W Trade
CONFERENCE ON U.S. TRADE
POLICY CRISIS

Mr. JAVITS. Mr. President, I call the attention of the Senate to an important conference which took place in Washington on June 4 and 5 last. I did not call the attention of the Senate to it previously because of the terrible tragedy which overwhelmed us all. It was the first conference of the Coordinating Council of Organizations on International Trade Policy to highlight the crisis facing U.S. trade policy as a result of current pressures in Congress for import quotas and the absence of U.S. proposals for the future direction of trade policy.

The conference was attended by over 500 people from all over the country representing organizations as diverse as the League of Women Voters, the American Association of University Women, the Commerce and Industry Association of New York, the National Retail Merchant Association, the National Farmers Union, the National Grange, and many others. I had the privilege to be the keynote speaker on the eve of the conference. On June 5 the conference was addressed by several members of the President's Cabinet, including Ambassador Roth, Secretary of Commerce Smith, Under Secretary of State Udall, and Secretary Freeman, as well as Members of Congress such as Senator PERCY, Congressmen CURTIS, and HENRY REUSS, reaffirming the reasons for this country's commitment to a policy of trade liberalization.

During the luncheon meeting, former Senator Paul Douglas and Charles P. Taft, general counsel of the Committee for a National Trade Policy, received the well-deserved Cordell Hull Award for their contribution to liberal trade policy. In the afternoon, outstanding experts and representatives of private organizations discussed the major issues facing trade policy today and how private organizations could most effectively stimulate public support for freer trade. Generally speaking, Mr. President, the meeting was a most interesting and important development of the subject.

It was expected that the President would deliver a major speech on trade policy at dinner. In view of the Kennedy tragedy, the President could not attend but his speech was delivered by Ambassador Roth. It was a very significant speech for those who favor a liberal trade policy and confirmed once again the President's personal commitment to this policy which has been so vital to our economy and our relations with the major trading nations of the world.

I ask unanimous consent that the schedule of the conference, a partial list of organizations participating in the coordinating council, and my speech to the conference, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(An Urgent Meeting on the U.S. Trade Policy Crisis, June 4-5, 1968, Washington, D.C.)

FORWARD TO FREER TRADE: POLICY INITIATIVES
IN A CHANGED WORLD ECONOMY

CONFERENCE EVE, JUNE 4

Registration beginning at 5:00 P.M.
Address at 8:00 P.M. by Senator Jacob K. Javits of New York followed by social hour.

CONFERENCE PROGRAM, JUNE 5

Registration resumed at 8:30 a.m. Morning session 9:00-12:00.

Panel discussion: *Chairman:* Charles P. Taft. "What Should the Administration and Congress Do?" *What pace of trade liberalization best serves the nation's balance-of-payments needs and its overall enlightened self-interest? What must the Administration and Congress do to ensure the consistency and dependability of such a policy?*

Two consecutive panels will discuss the question:

From Congress: Senators Philip A. Hart (Mich.), Charles H. Percy (Ill.), Joseph D. Tydings (Md.); Representatives Henry S. Reuss (Wis.), Richard Bolling (Mo.), Martha Griffiths (Mich.), Charles Whalen, Jr. (Ohio); and others.

From the Administration: Ambassador William M. Roth and Cabinet officers.

Questions and comments from the audience will be invited in every panel discussion of the day.

Reception, 12:00; luncheon, 12:30

Chairman: Carl J. Gilbert.

Invocation: Rev. Francis B. Sayre, Jr., Dean, Washington National Cathedral.

Presentation of Cordell Hull Award to Paul H. Douglas and Charles P. Taft.

Speaker: Hon. Paul H. Douglas, former Senator from Illinois.

Benediction: Rabbi Richard G. Hirsch, Union of American Hebrew Congregations.

Afternoon session, 2:30-5:00

Panel Discussion (2:30-3:45). *Chairman:* Roy Blough, Prof. of International Business, Columbia Graduate School of Business (formerly member of President's Council of Economic Advisers). "An Independent, Free-wheeling Assessment of the Issues." *Nongovernment experts will discuss U.S. trade policy needs, the balance-of-payments issue, and national economic adjustments.*

Panel: Howard S. Piquet, Chief International Economist, Library of Congress; Robert L. McNeill, Director, International Affairs, Washington staff, Ford Motor Company; Robert Schwenger, formerly trade policy specialist at Departments of Agriculture and Labor; Alfred R. McCauley, attorney (formerly trade policy counsel, Ways and Means Committee); Robert S. Eckley, Manager of Business Economics, Caterpillar Tractor Company; Reuben L. Johnson, Director of Legislative Services, National Farmers Union; Harry L. Graham, Legislative Representative, National Grange; Herbert E. Harris II, Legislative Counsel, American Farm Bureau Federation; Stanley Greenspan, Assistant to Director, International Affairs, United Auto Workers; and Sperry Lea, National Planning Association, Canadian-American Committee.

Panel Discussion (4:00-5:00). *Chairman:* Mrs. Bruce B. Benson, President, League of Women Voters of the U.S. "What Should Private Organizations Do?" *How may private organizations most effectively stimulate public support for freer trade and government consistency in pursuit of these policy goals?*

Panel: Gerald H. O'Brien, Executive Vice President, American Importers Association; John R. Vastine, Jr., Washington Office, Emergency Committee for American Trade; Clifford B. O'Hara, Chairman, Committee on Foreign Commerce, American Association of Port Authorities; Mrs. David G. Bradley, Chairman, Foreign Policy Committee, League of Women Voters; Jay H. Cerf, Manager, International Group, U.S. Chamber of Commerce; David J. Steinberg, Secretary and

Chief Economist, Committee for a National Trade Policy; Mrs. Alison Bell, American Association of University Women; and Nelson A. Stitt, Executive Director, U.S.-Japan Trade Council.

Reception, 7:00; Dinner, 7:30

Invocation: Rev. L. Maynard Catchings, United Church of Christ.

Speaker: To be announced.

Benediction: Very Rev. Robert Trisco, Catholic University of America.

PARTIAL LIST OF ORGANIZATIONS PARTICIPATING
IN COORDINATING COUNCIL

American Association of Port Authorities, Inc.

American Association of University Women.

American Book Publishers Council, Inc.

American Importers Association.

American Institute for Imported Steel.

American Merchant Marine Institute, Inc.

American Seafood Distributors Association.

American Watch Association, Inc.

Americans for Democratic Action.

Association of Marine Underwriters of the United States.

Atlantic Council, Inc.

Automobile Manufacturers Association.

Buffalo World Trade Association.

California Council for International Trade.

Canned Meat Importers' Association.

Chicago Council on Foreign Relations.

Commerce and Industry Association of New York, Inc.

Committee of American Steamship Lines.

Committee for a National Trade Policy, Inc.

Committee for Economic Development.

Cooperative League of the U.S.A.

Dallas Manufacturers & Wholesalers Association, Inc.

Emergency Committee for American Trade.

Florida Ports and Foreign Trade Council.

Foreign Traders Association of Philadelphia, Inc.

Friends Committee on National Legislation.

Grain and Feed Dealers National Association.

Greater Detroit Board of Commerce.

International Apple Association, Inc.

International Center of New England.

International Cooperative Petroleum Association.

International House (New Orleans).

International Trade Club of Chicago.

International Trade Club of Greater Kansas City, Inc.

League of Women Voters of the United States.

Maine Port Authority.

Maryland Port Authority.

Massachusetts Port Authority.

Meat Importers' Council, Inc.

Miami-Dade County Chamber of Commerce.

Motion Picture Association of America, Inc.

National Council of Catholic Women.

National Council of Jewish Women.

National Customs Brokers & Forwarders Association of America, Inc.

National Education Association.

National Farmers Union.

National Grange.

National Planning Association.

National Retail Merchants Association.

North Atlantic Ports Association, Inc.

Port of Houston.

Port of Los Angeles.

Port of New York Authority.

Port of Seattle.

Portland Chamber of Commerce.

San Francisco Area World Trade Association.

Scrap Industry Trade Policy Council.

Temple of Understanding.

Tobacco Associates, Inc.

Union of American Hebrew Congregations.

United Church of Christ.

United Nations Association of the U.S.A.

United Presbyterian Church in the U.S.A.

United World Federalists.
U.S. Council of the International Chamber of Commerce.
Women's International League for Peace and Freedom.
World Trade Club of New York, Inc.
Young Women's Christian Association.

WHERE IS LEADERSHIP IN U.S. TRADE POLICY?
(Remarks of Senator JACOB K. JAVITS before the Coordinating Council of Organizations on International Trade Policy on the U.S. Trade Policy Crisis, Washington, D.C., June 4, 1968)

This conference may well prove to be a turning point for U.S. trade policies. The Kennedy Round is behind us after a most difficult four years of negotiations. It is almost a year since the President's trade negotiating authority has expired. Tariffs among the industrialized nations are beginning to lose their significance as impediments to international trade and non-tariff barriers among such nations are beginning to appear as the last remaining obstacles to free international trade. Regional trading arrangements in common market or free trade area terms are springing up or are being negotiated almost daily.

The less developed countries are complaining with considerable justification, that they are losing ground in their struggle to increase their share of world trade and that nothing substantial is being done to change the existing trading system. They claim it is working to their disadvantage aided by the revolutionary impact of new technology which develops substitutes and alternates for basic commodities.

And, within the U.S. there is growing fear about our ability to withstand international competition which is giving support to those who would meet that competition by shutting it off by import quotas or other protectionist schemes. Congress, reflecting these fears, has shown more sympathy for restrictive trade legislation in 1967 and 1968 than at any time in recent memory. In the meantime, the people who have a great deal at stake in this, stand by almost apathetically because they have not yet been aroused to the importance of the issue.

It has always been a difficult task to keep our commitment to a policy of trade liberalization and to convince the American people of its great value. But we have kept that commitment over the past 30 years through the leadership of Presidents, of the leaders of Congress, and of labor and trade and industry. In the future, while our approach to trade liberalization may be different from that embodied in the Trade Expansion Act of 1962 or its predecessors, the essential element again will be leadership; this is what is lacking today and without it our commitment to trade liberalization tends to be less convincing than it should.

Last week, the President at last sent to the Congress his long awaited trade message. I cannot find much to quarrel with in the interim trade bill proposed by the Administration—although the downgrading of the U.S. Tariff Commission in adjustment assistance cases is in my judgment a major mistake.

But I do quarrel with that portion of the President's Message which deals with future U.S. trade policy. In that respect, the message is a failure; it is inadequate as an answer to protectionist sentiment in the Congress, or as a means of arousing the American people for the task ahead. It is a failure of leadership! It offers only caretaker legislation and gives no significant clue to what will follow the Kennedy Round.

Equally disturbing is the absence of trade policy leadership by any of the candidates who are contending for the Presidency this year. That 1968 is not the year to propose

major legislation is generally accepted. It is an election year with more than the usual crisis issues to occupy the country's attention. But we have every right to expect that candidates for the Presidency will give the American people their proposals as to how they intend to deal with the complex problems of foreign trade during the next four years. Trade policy is among the most significant of these issues, both as a "bread and butter" issue and as a major concern of our foreign policy.

It should be self-evident that continued commitment to trade liberalization is essential for the U.S. Open international trade is essential to America's future—as a world economic power and as the leader of the non-communist world community. We benefit from a policy of trade liberalization through steadily expanding markets for our industries which in turn generate millions of jobs. Imports provide the essential raw materials for our industrial machine, the wherewithal for our trading partners to purchase our exports and a greater choice of goods for millions of our consumers. International competition provides a major incentive to increase our efficiency and our competitiveness which are required to retain markets overseas and to meet import competition at home. A policy of protectionism runs counter to all these needs.

Open international commerce is even more vital to our trading partners than to ourselves; most of them turn out to be also among our most essential political allies. For many of them—Japan, the United Kingdom, Belgium—exports constitute a substantial part of their output. Loss of exports means for them substantial unemployment, stagnation and political unrest. A policy of protectionism is, therefore, ultimately a threat to our national security.

In all honesty, I do not expect that the Presidential candidates will have much to say as to their approach to trade policy questions in the coming months. Therefore, it is up to you, the trade policy group with wide grassroots support, to keep the issue before the American people.

This Conference and members of the Coordinating Council are faced basically with two major responsibilities. The first and foremost is to make the American people fully aware of what is at stake for the United States in a policy of trade liberalization and, equally important, to place before the next President of the United States your recommendations as to the specifics of a new foreign trade policy. Tomorrow's discussions will serve to clarify the issues.

Second, this should be followed up by a major educational effort—through a series of popular pamphlets, discussion programs, and conferences in major cities of the country—that will rally the American people around liberal trade policy. You should also sit down—perhaps at an American Assembly type conference—and draw up a specific program for publication early next year. Above all, make certain that whatever approach you choose, it comes to grips with the major unmet problems facing trade policy: non-tariff barriers, other artificial impediments to fair international competition, the need for adjustment and modernization, and the need to enhance market opportunities for developing countries.

Given these requirements and the current international situation, trade policy will have to be flexible and possess the maximum economic and minimum political goals. Within this context the proposal to establish an Industrial Free Trade Area makes a great deal of sense and deserves careful consideration as one possible U.S. trade initiative.

Such a free trade area could be formed initially between the United States, Canada and the United Kingdom but open to all industrialized nations willing to observe its

rules as well as associated developing countries which could be eligible for special trade concessions. All industrialized products and raw materials would be subject to tariff cuts, with the possible exception of a few extremely sensitive and strategic commodities. It would be the aim of the proposal to attain the complete elimination of tariff and non-tariff barriers in 15 to 20 years. Provisions could be made to provide adjustment assistance or modernization loans to firms facing stronger foreign competition.

As Geiger and Lea, authors of one of the papers submitted for the Joint Economic Committee compendium on trade policy issues last year, concluded, the free trade area concept promises to be relevant for the United States in any eventuality. If the next attempt at trade negotiations by the traditional multilateral approach fails, or is insufficiently promising to be attempted, we would be wise to shift to the only other practical approach sanctioned by GATT, the formation of a free trade area of interested industrialized nations. If the next round of trade negotiations is successful, then we would find ourselves so close to free trade that the GATT countries would want to commit themselves to full free trade at a fixed date, to establish rules of competition and undertake other commitments as if they were in a formal free trade area.

I conclude as I began. We have reached a turning point for U.S. trade policy. The going will be tough in the months and years ahead and only full confidence in our competitive strength and wise leadership will ensure that we will continue toward the goal of open international commerce. Whether we will retain our confidence and have wise leadership in this field will depend in large degree on what those directly interested can accomplish tomorrow and in the days ahead.

ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order entered today, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 23 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, June 12, 1968, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate June 11, 1968:

ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

John W. Townsend, Jr., of Maryland to be Deputy Administrator, Environmental Science Services Administration (vice Werner A. Baum).

IN THE AIR FORCE

The following officers for appointment as Reserve commissioned officers in the U.S. Air Force to the grade indicated, under the provisions of sections 8218, 8351, 8363, and 8392, title 10 of the United States Code:

To be major general

Brig. Gen. Reginald M. Cram, FR5812, (colonel, Regular Air Force, retired) Vermont Air National Guard.

To be brigadier generals

Col. Robert W. Akin, FG838040, Tennessee Air National Guard.

Col. Robert F. King, FG870815, Washington Air National Guard.

Col. Billy J. Shoulders, FG955069, Tennessee Air National Guard.